IMPLEMENTED LAST, BEST AND FINAL OFFER BETWEEN THE CITY OF CALEXICO AND CERTIFIED OPERATORS/SEIU

TERM: JULY 1, 2009 THRU JUNE 30, 2010

ASSOCIATION

OPERATORS

IMPLEMENTED LAST, BEST AND FINAL OFFER FOR THE CERTIFIED OPERATORS/SEIU LOCAL 221

Term: July 1, 2009 - June 30, 2010

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MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF CALEXICO AND IMPLEMENTED LAST, BEST AND FINAL OFFER FOR THE CERTIFIED OPERATORS/SEIU LOCAL 221 July 1, 20098 to June 30, 201099

This Implemented Last, Best, and Final Offer is Memorandum of Understanding (hereinafter "Implemented LBFO", MOU" or "Agreement") is for use by and between the City of Calexico and the entered into by and between the City of Calexico (hereinafter, "City") and the Certified Operators/Service Employees International Union Local 221, CTW, CLC (hereinafter, "Union") for the period of July 1, 20098 through June 30, 201099.

ARTICLE 1 — RECOGNITION AND STATUS OF IMPLEMENTED LBFO AGREEMENT

Section 1 — Recognition: The City formally recognizes the Union as the exclusive bargaining agent for the Water/Wastewater Certified Operators (hereinafter, "bargaining unit") composed of all persons employed full time for the City in the following classifications: Chief Water Plant Operator-Treatment; Chief Water Plant Operator-Distribution; Chief Waste Water Treatment Plant Operator-Operations; Chief Waste Water Treatment Plant Operator; Waste Water Plant Operator; Lead Water Distribution Operator; Water Distribution Operator; Waste Water Plant Operator, Laboratory Technician, and Collections Systems Maintenance Operator. On July 1, 2009, the following classifications shall be reclassified to the City's Working Supervisors Unit: Chief Water Plant Operator-Treatment; Chief Water Plant Operator-Distribution; Chief Waste Water Treatment Plant Operator-Operations; and Chief Waste Water Treatment Plan Operator—Collections.

Section 2 — Ratification and Approval: This MOU is of no force or effect This Implemented LBFO is effective pursuant to Resolution No. 09-63 approved by the City Council to unilaterally implement terms and conditions of employment. until ratified and approved by the Union membership and by the City Council through a duly adopted Resolution. Upon ratification, This Implemented LBFO MOU shall be the sole agreement of the parties thereto and shall supersede all prior agreements whether written or oral. Prior to the effective date of this Implemented LBFO ratification of this MOU by both parties, the MOU previously in place shall govern any matters. However, after the effective date of this Implemented LBFO, ratification of this MOU by both parties, this MOU this Implemented LBFO shall govern all matters herein described.

<u>Section 3 — Enabling Authority:</u> This Implemented LBFO is MOU is entered into pursuant to California Government Code section 3500 through 3511, known as the Meyers-Milias-Brown Act,—and Calexico City Council Resolution No. 2204, entitled: "Resolution of the City Council of the City of Calexico Pertaining to Employer-Employee Relations for the City of Calexico," dated July 7, 1970, and City Council Resolution No. 09-63.

<u>Section 4 — Rules and Regulations:</u> All bargaining unit members shall be subject to the City's Personnel Rules and Regulations. Following <u>implementation ratification</u> of <u>this Implemented LBFO</u> Agreement, the parties agree to meet and confer regarding <u>any changes to</u> the City's Personnel Rules and Regulations <u>impacting wages</u>, hours, or <u>other terms and conditions of employment</u>. No amendment to the Personnel Rules and Regulations shall amend or modify any provision found in this <u>Implemented LBFO MOU</u>, except where necessary to comply with federal, state, or local law. No provision of <u>this Implemented LBFO MOU</u> shall conflict with federal, state, or local law.

(Substantive changes in this Section made per Tentative Agreement between the parties and implemented by City Council in Resolution No. 09-63.)

ARTICLE 2— MANAGEMENT RIGHTS

The City possesses the sole right to operate City government and all management rights repose in it, and such rights will be exercised consistently with the other provisions of this Implemented LBFO MOU.

ARTICLE 3— EMPLOYEE AND UNION RIGHTS

<u>Section 1 — Negotiation Team:</u> A maximum of three Union representatives shall be allowed time off for all scheduled meetings mutually set between the City and the Union.

<u>Section 2 — Personnel Files:</u> A separate file for each employee shall be maintained in the Human Resources Department of the City. These files shall be made available only to authorized personnel within the Human Resources Department. An employee shall be shown his/her personnel folder upon written request. In addition to the employee's personal and vital statistical data, resume and/or application, the file will contain a copy of the supervisor's evaluation, copies of letters of commendation or complaints, reports of disciplinary action or reprimand, reports of training, achievement awards for special recognition, and other documents required to be maintained by law.

<u>Section 3 — Meetings:</u> The City or the Union may call for a meeting at a reasonable time, date, and place regarding any matter of concern in the interest of maintaining good employer-employee relations.

<u>Section 4 — Discrimination:</u> The City and the Union agree not to discriminate against any employee because of his/her activity, membership, or lack thereof in the Union. The City and the Union agree that there shall be no discrimination against any employee on the basis of race, color, religion, national origin, sex, age, sexual orientation, or disability.

Section 5 --- Bulletin Board: A bulletin board accessible at each job site for posting of notices to employees will be provided by the City at each work site and will be marked "SEIU/CERTIFIED OPERATORS."

(Substantive changes in this Section made per Tentative Agreement between the parties and implemented by City Council in Resolution No. 09-63.)

Section 6 --- Documentation: The Union shall have the right at reasonable times to review and/or receive any documents required for Meyers-Milias-Brown Act purposes in the City's possession. The City shall provide the Union each year with a list of employees within the bargaining unit, their designated work sites, positions/classifications, and salary. The Union shall provide the City with the name and contact information for the Union President each year, and as the information changes.

(Substantive changes in this Section made per Tentative Agreement between the parties and implemented by City Council in Resolution No. 09-63.)

ARTICLE 4— WORK SCHEDULES

Section 1 — Work Shift: The twelve (12) hour shift shall remain as past practice for Water Plant Operators; said shift shall consist of seven (7) days on, seven (7) days off. The first shift is from 6:00 a.m. to 6:00 p.m. The second shift is from 6:00 p.m. to 6:00 a.m. All other members of the bargaining unit shall work a weekly schedule of four (4) days a week, ten (10) hours a day (4/10 schedule).

<u>Section 2 — Rest Period:</u> A fifteen (15)-minute rest period is permitted in the morning and in the afternoon. When there is a need to maintain continuous service or to answer telephones, employees will develop a coordinated schedule to provide the necessary service without interruption.

<u>Section 3 — Time Away from Work:</u> A bargaining unit member who is not in his/her regular place of work during work hours must notify his/her supervisor or the department secretary where he/she may be contacted.

<u>Section 4- End of Shift:</u> Bargaining unit members shall be permitted to use the last fifteen (15) minutes of their shift to wash up and change out of their uniforms.

(Substantive changes in this Section made per Tentative Agreement between the parties and implemented by City Council in Resolution No. 09-63.)

ARTICLE 5— COMPENSATION AND OVERTIME PAY

<u>Section 1 — Work Week:</u> The City's work week begins Wednesday at 12:00 am. and ends on 11:59 p.m. Tuesday.

<u>Section 2 — FLSA Overtime Pay:</u> The City uses FLSA fluctuating work week regulation 29 CFR Section 778.114 to calculate FLSA overtime pay for the Water Plant Operators. The City uses a 40-hour work week standard to calculate FLSA overtime pay for Waste Water Plant Operators. FLSA overtime pay is compensated at 1.5 times the employee's regular hourly rate of pay.

<u>Section 3 — Compensatory Time Off:</u> The City may compensate bargaining unit members with 240 hours of compensatory time off (CTO), in lieu of cash overtime, at a rate of 1.5 hours for each hour of FLSA overtime worked. Once a unit member accrues 240 hours of CTO, the City shall pay overtime compensation in cash. The City shall not unreasonably deny a bargaining unit member the use of CTO.

Section 4 — Standby Time: Standby time shall be that period other than regularly scheduled working time during which an employee is on standby to receive calls for emergency water service. A bargaining unit member who is assigned to stand by status will be paid the equivalent of sixteen (16) hours at the bargaining unit member's regular rate of pay for every seven (7) days that the employee is on standby. The pay will be pro-rated for periods of standby assignments of less than seven (7) days. Except for personal illness or unforeseeable emergency, an employee who is unable to report to work or cannot be located within a reasonable period of time shall forfeit the "standby" pay and shall be removed from "standby" status for the remainder of the week in question. Reasonable time for purpose of this provision is fifteen (15) minutes unless otherwise approved by the Plant supervisor. For purposes of this section, an employee who is on "standby" shall, in the event of an illness or emergency, notify the applicable supervisor as soon as possible.

Section 5 — Call-back Pay: A bargaining unit member who has been released from duty and has left the work premises shall, if he/she is called back to duty, be paid a minimum of two (2) hours. If the actual time traveling to and working a call-back to duty exceeds two (2) hours, the employee is entitled to receive pay for actual time. The first hour of a call is paid at double time. Call-back time actually worked after the first hour is paid at 1.5 time. Travel time shall be compensated accordingly only if travel time is within the County of Imperial.

<u>Section 6 — Working Out of Classification:</u> Any bargaining unit member who is assigned duties of a higher job classification or who is placed in an acting status will be paid \$6.00 per day, in addition to the member's regular compensation.

<u>Section 7 — Night Differential:</u> The City agrees to the following night differential pay of 7.5 percent per shift for the 6 p.m. to 6 a.m. shift. A bargaining unit member who replaces an operator who is on vacation or sick leave will be paid night differential pay.

<u>Section 8 — Uniforms:</u> Bargaining unit members shall be allowed one uniform per day supplied by the City and an annual shoe allowance of \$200.00. The City shall provide the shoe allowance in a separate check on a date between July 1-14.

Section 9 — Longevity Pay Increases: Bargaining unit members hired before January 1, 2002 are entitled to longevity pay according to the following schedule: \$20.00 per month for five (5) years of continuous service; an additional \$30.00 per month for ten (10) years of continuous service; an additional \$40.00 per month for fifteen (15) years of continuous service; an additional \$50.00 per month for twenty (20) years of continuous service; an additional \$60.00 per month for twenty-five (25) years of continuous service. This benefit is deleted as to all employees hired on or after January 1, 2002. All existing employees shall be entitled to receive longevity pay until their employment with the City of Calexico is terminated.

Section 10 — Merit Pay Increases:

Employees shall be hired at Step 1 of the salary schedule and will move to higher steps based upon merit in the following manner:

	То	Time	Merit Evaluation
Step 1	Step 2	9 months	"Standard" or better
Step 2	Step 3	1 year	"Standard" or better
Step 3	Step 4	1 year	"Standard" or better
Step 4	Step 5	1 year	"Standard" or better
			"Standard" = 71% or better

Failure of the City to issue a timely Merit Evaluation on a form, prior to the anniversary date, mutually agreed to between the City and the Union, shall be treated as a "Standard" evaluation and shall cause the employee to be awarded the appropriate step increase.

Section 11 — Professional Development Program:

For bargaining unit members who were hired prior to January 1, 2006, the member not on initial hire probation shall be paid for all college degrees earned from an accredited institution of higher education, pursuant to the following education incentive pay (an employee transferring from another City department shall be considered an initial hire for the purposes of this section).

Tuition reimbursement will be available to bargaining unit members hired prior to January 1, 2006, providing that the tuition reimbursement procedure is followed in accordance with the policy, and the department can sustain the expense.

A. A salary adjustment of five percent (5%) upon completion of an AA or AS degree with a grade of "C" or better (but no unit member will receive more than one

salary increase under this provision);

B. A salary adjustment of ten percent (10%) upon completion of a BA or BS-degree. If the unit member previously received a salary increase of 5% upon completion of an AA or AS degree, the unit member shall receive a salary adjustment of 5% upon completion of a BA or BS degree (but no unit member will receive more than one salary increase under this provision). If the unit member did not previously receive a salary increase upon completion of an AA or AS degree, the unit member shall receive a salary increase of 10% upon completion of a BA or BS degree (but no unit member will receive more than one salary increase under this provision).

No unit member shall receive more than a total salary adjustment of ten percent (10 %) under this section during the member's employment with the City. This provision shall apply only to unit members hired prior to January 1, 2006.

Any unit member receiving a salary adjustment for college units (either 2.5, 5 or 7.5 percent), under an MOU effective prior to October 1, 2002, will continue to receive that salary adjustment during his/her employment in the bargaining unit, until he/she qualifies for a higher salary adjustment under this provision. A unit member receiving five percent (5%) salary adjustment for units under a former MOU will, upon qualifying for an AA or AS degree salary adjustment, receive only one such salary adjustment, as all salary adjustments are non-cumulative.

All unit members hired on or after January 1, 2006 shall not receive any benefits under this section.

Under this Professional Development Program, eligibility for the above-described salary adjustments are subject to the following conditions: (1) The employees interested in career advancement shall submit a request describing the educational opportunities to their department heads for review and consideration. The request must be job related and specific to the employee's position and department. (2) If the department head finds that the educational opportunity or degree obtained is specific to the employee's position with the City, then the department head will grant the applicable salary adjustment.

(Substantive changes in this Section made per Tentative Agreement between the parties and implemented by City Council in Resolution No. 09-63.)

<u>Section 12 — Membership Dues:</u> The City agrees to pay membership dues and certificate renewals for certified water/wastewater operators.

<u>Section 13 — Increased Certification Grade:</u> Upon attaining a higher Operator certification from the State of California, a bargaining unit member shall be advanced to the appropriate range for that level of classification, for so long as the employee

maintains the valid higher certification. This will not result in a reclassification or promotion.

<u>Section 14 — Cost of Living Increases:</u> No cost of living salary adjustment shall be provided for the duration of the term of this Implemented LBFO MOU.

(Substantive changes in this Section made per Unilateral Implementation per the City Council in Resolution No. 09-63.)

<u>Section 15- Labor Market Study:</u> The City shall conduct a labor market study in fiscal year 2011-2012.

<u>Section 16 — Market Salary Adjustment:</u> Effective upon final approval of this MOU, the salaries of the bargaining unit members shall be adjusted according to Schedule A, attached to this MOU and incorporated herein by reference This salary schedule shall replace any existing salary schedules previously in place regarding and applicable to this bargaining unit.

(Substantive changes in this Section made per Tentative Agreement between the parties and implemented by City Council in Resolution No. 09-63.)

Section 17 - Work Furlough: Provided all City employees are subject to work furlough, the employees in this bargaining unit agree to an eighty (80) hour work furlough for fiscal year, effective July 1, 2008. The first thirty-two (32) hours of the work furlough period shall occur between the holidays of December 25 (Christmas Day) and January 1 (New Year's Day) this fiscal year. The remaining forty-eight (48) hours shall remain in a furlough leave balance account for each employee, which must be used during the fiscal year in which they are credited, according to subsections (A) through (D) below. In classifications where staffing of positions will be necessary during the furlough period, those-employees required to work will retain the number of furlough hours actually worked up to thirty-two (32) hours. Employees agree to a work furlough for fiscal year 2009-2010, effective July 1, 2009, in the amount of 3.846% of annual working hours. An amount equivalent to 84 hours (7 working days) employee working a twelve (12) hour shift and an amount equivalent to 80 hours (8 working days) for each employee working a ten (10) hour shift will be deducted from each employee's salary in fiscal year 2009-2010. The furlough hours shall remain in a furlough leave balance account for each employee, which must be used during fiscal year 2009-2010, according to subsections (A) through (E) below. Work furlough is subject to the following rules:

- A. Employees' regular paycheck shall be reduced by an amount reflecting the eighty (80) hour work furlough.
- B. The use of furlough hours must be pre-approved by employee's immediate supervisor. In cases where approvals relating to which employee within a particular classification will work during the furlough period, seniority shall not be

- the sole determining factor. Consideration shall also be given to employee preferences, equity, and needs of the employee's Department and the City.
- C. Furlough hours will be prorated for new hires, terminating employees, and employees who have an established schedule of three-quarter (3/4) time or less.
- D. Employees scheduled to be off during the furlough period, who are called in to work due to operational necessity, shall have the option of having the appropriate number of hours of furlough leave credited to their furlough leave bank or receiving overtime compensation for the actual hours worked.
- E. In consideration of participation in the work furlough program described herein, each bargaining unit member shall be awarded one floating holiday in fiscal year 2009-2010. This floating holiday shall be awarded in fiscal year 2009-2010 solely on the condition that bargaining unit members participate in the work furlough program as described herein. The floating holiday must be used during fiscal year 2009-2010., to bring the total number of floating holidays per year to three

(Substantive changes in this Section made per Unilateral Implementation per the City Council in Resolution No. 09-63.)

ARTICLE 6— RESIGNATION AND DISCIPLINE

<u>Section 1 — Resignation:</u> A bargaining unit member may voluntarily separate from City employment. A month's notice of intended separation is desired so that management may have sufficient time to obtain a necessary replacement, and a minimum of two (2) full weeks is strongly recommended.

<u>Section 2 — Disciplinary Action:</u> The department head may discipline any bargaining unit member, for just and valid cause. However, due and careful consideration will be given to all facts surrounding the reason for discipline before the final action is taken. A bargaining unit member shall receive written pre-disciplinary notice of the facts and charges in any proposed disciplinary action that involves a loss of pay.

<u>Section 3 — Appeal of Disciplinary Action:</u> A bargaining unit member has the right to appeal discipline that involves a loss of pay to the Personnel Commission pursuant to Municipal Code Chapter 2.20. A final, written notice of discipline will inform or remind the bargaining unit member of this right.

<u>Section 4 — Exit Interview:</u> The department head will coordinate with the Human Resources Department regarding an exit interview, with adequate lead-time, with any bargaining unit member who is separating from City service. Any bargaining unit member leaving City employment shall clear any and all outstanding obligations to the City through communication with the Finance Officer before the final paycheck shall be issued.

ARTICLE 7 — GRIEVANCE PROCEDURE

<u>Section 1 — Purpose:</u> This Article is intended to provide the means for employees, recognized employee organizations, and management to resolve grievances in an orderly manner within a reasonable time period; and to administer employer-employee relations through uniform and orderly methods of communications between employees and management.

Section 2 — Policy:

- A Any bargaining unit member has the right to file a grievance without fear, intimidation, or coercion from any party;
- B. Any bargaining unit member may represent him/herself or select whomever he/she wishes to represent him/her request the assistance of a Union Representative or Steward at any or all steps in the grievance procedure up to Advisory Arbitration;
- C. Grievances may be initiated by the employee, or the Union;
- D. The bargaining unit member's or Union's first contact regarding job and working conditions is with the immediate supervisor and the supervisor shall attempt to settle grievances informally at that level;
- E. The immediate supervisor is responsible for informing employees about job requirements, personnel policies, and the work unit's relationship to the division, department and the City as a whole;
- F. A grievant <u>and steward (if selected)</u> may attend a grievance meeting with a supervisor on his/her own behalf without loss of pay. One representative, who the grievant selects, A steward and/or Union Representative may represent him/her at such grievance meeting without loss of pay.

Section 3 — Definition:

A grievance is a claim, charge or dispute involving the following:

- A The interpretation or application of any City rules, regulations, ordinance, or resolution affecting an employee's wages, hours, or conditions of work; or
- B. The interpretation or application of the provisions of this Implemented LBFO MOU.
- C. Notwithstanding subsections (A) and (B) above, a grievance does not include any challenge to a disciplinary action.

Section 4 — Informal Grievance Procedure: The informal complaint procedure shall be used before the formal grievance procedure. The grievant shall discuss his/her complaint with his/her immediate supervisor no later than ten (10) working days after the occurrence of the incident causing the grievance. If the immediate supervisor fails to reply within five (5) working days, or the grievant determines he/she is not satisfied with any decision within five (5) working days after receiving it, the grievant may utilize the formal grievance procedure.

<u>Section 5 — Formal Grievance Procedure:</u>

- A. The formal grievance procedure shall be initiated not later than ten (10)days after the discussion with the immediate supervisor in the informal procedure.
- B. The formal grievance shall be initiated by the filing of a written grievance, within the time period set forth above, on a form provided for this purpose. The form shall contain:
 - 1. Name of Grievant
 - 2. Class Title
 - 3. Department
 - 4. Grievant's mailing address
 - 5. A clear statement of the nature of the grievance citing applicable ordinance, rules, regulations, or action
 - 6. The date upon which such grievance occurred
 - 7. The action taken as a result of the informal complaint procedure
 - 8. A proposed solution to the grievance
 - 9. Date of execution of the grievance form
 - 10. Signature of the grievant
 - 11. The name of the organization or individual, if any, representing the grievant, followed by the signature of said organization or individual.

The following steps are to be used to resolve the formal grievance:

- Step1. The written grievance shall be filed and presented to the second-level supervisor, who shall investigate the grievance and shall confer with the grievant, his/her representative, and any other employee or employees in an attempt to resolve the grievance. Within ten (10) working days after the written grievance is first submitted to second-level supervisor, said second-level supervisor shall make and file a decision in writing with the grievant, his/her representative and the Human Resources Department.
- Step 2. If the issue is not resolved in Step 1, said grievance shall be filed with the department head, and grievant, his/her representative, and any other employee or employees involved, in an attempt to resolve the grievance within not more than five (5) ten (10) working days from the receipt of the supervisor's response. A copy of such request shall be delivered to the

Human Resources Department. Within ten (10) working days after the written grievance is submitted to the department head, the department head shall make and file a decision in writing with the grievant, his/her representative, and the Human Resources Department.

Step 3. If the department head does not resolve the grievance to the satisfaction of the grievant, the grievant may, within not more than five (5)ten (10) working days from receipt of the department head's decision, request in writing that the City Manager or his/her designee consider the grievance. A copy of the request filed by the grievant shall be submitted to the Human Resources Department.

Within ten (10) working days after such request, the City Manager or designee shall investigate the grievance, confer with the persons affected and the grievant's representative, and seek through a meeting of the parties to resolve the matter by agreement between the parties.

- Step 4. Advisory Arbitration of Grievances: In the event that the grievance is not resolved by agreement between the parties, the Union may, within thirty (30) calendar days after the meeting in which the parties failed to reach agreement, request that the grievance be heard by an arbitrator. A grievance involving a letter of warning shall not be subject to arbitration.
 - (a) Selection of Arbitrator: The arbitrator shall be selected by mutual agreement between the City and the grievant or his/her representative. If the City and the grievant or his/her representative are unable to agree on the selection of an arbitrator, they shall jointly request the State Mediation and Conciliation Service to submit a list of five qualified arbitrators. The City and the grievant or his/her representative shall then alternately strike names from the list until only one name remains, and that person shall serve as arbitrator.
 - (b) Duty of Arbitrator: Except when an agreed statement of facts is submitted by the parties, it shall be the duty of the arbitrator to hear and consider evidence submitted by the parties and to thereafter make written findings of fact and a proposed disposition of the grievance which shall be submitted to the City Manager. The decision of the arbitrator shall be based solely on the interpretation of the appropriate provisions of this Implemented LBFO MOU or the MOU applicable to the grievance, and he/she shall not add to, subtract from, modify or disregard any of the terms or provisions of this Implemented LBFO or the applicable MOU MOU. The decision of the arbitrator shall be advisory to the City Manager who shall render a final written decision within ten (10) working days of receipt of the decision of the arbitrator.

The provisions for arbitration are not intended and shall not be construed to empower an arbitrator to change any condition of employment, specifically covered by this Implemented LBFO or the applicable MOU MOU, or to revise, modify or alter, in any respect, any provision contained in this Implemented LBFO or the applicable MOUMOU.

- (c) The City Manager's or designee's decision shall be final, and is not subject to appeal.
- (d) Payment of Costs: Each party to a hearing before an arbitrator shall bear his own expenses in connection therewith. All fees and expenses of the arbitrator shall be borne one-half by the City and one-half by the grievant.

Section 6 — Time Limits:

- A. The time limits of each step may be extended by mutual consent of the parties. The duration of the extension shall be in writing and signed by both parties involved at the step to be extended.
- B. If any grievance is not appealed within the stated time limits, or extensions of any of the above steps, the grievance shall be considered conclusively settled on the basis of the last disposition by appropriate authority. No further City appeal or review is available.
- C. If a supervisor or other appropriate authority fails to furnish a response within the required time limits, or extensions, of any of the above steps, the employee or Union may proceed with the grievance at the next appropriate step.

(Substantive changes in this Article made per Tentative Agreement between the parties and implemented by City Council in Resolution No. 09-63.)

ARTICLE 8— HOLIDAYS

<u>Section 1 — Authorized Holidays:</u> Authorized holidays are as follows and, except where the best interests of the City so require and except on floating holidays, municipal offices shall be closed on such days:

New Year's Day	Thanksgiving Day
Martin Luther King Birthday	Day after Thanksgiving
Cesar Chavez Holiday	Christmas Day
Memorial Day	Admissions Day
Independence Day	President's Day

Labor Day	Three (3) Floating Holidays				
Veterans Day					

If a holiday falls on a Sunday, the following Monday shall be considered a holiday. If a holiday falls on a Saturday, the preceding Friday shall be considered a holiday. Every person who is employed in a permanent full time position shall be allowed leave of absence with pay for every authorized holiday. Temporary seasonal shall not receive leave of absence pay for holidays. Persons employed on a permanent part-time basis, shall be entitled to receive holiday pay at one-half the regular rate. The third floating holiday shall be awarded solely on the condition that bargaining unit members participate in work furlough, as set forth in Article 5, Section 17 herein.

ARTICLE 9— SICK LEAVE

<u>Section 1 — Sick Leave Regulations:</u>

- A. Every bargaining unit member who has been continuously employed by the City for 180 days, except temporary, seasonal, or part-time employees, shall receive one (1) working day of sick leave with pay for each full month of employment or major portion thereof.
- B. Sick leave credit may be accumulated without limitation.
- C. If sick leave for illness or injury exceeds three (3) consecutive working days, the employee, prior to returning to work, shall submit a statement from a physician, surgeon or other person practicing a recognized healing art that has been certified by the State of California. The statement shall certify that the employee's physical or mental condition prevented him/her from performing the duties of his/her position during the period of absence. The physician statement requirement described here also applies to a bargaining unit member who takes sick leave of more than three (3) consecutive days to attend to the illness of the member's child, spouse or parent.
- D. The department head shall approve the use of all sick leave.
- E. Bargaining unit members employed on a part-time basis shall receive sick leave benefits at one-half the regular rate.
- F. If an employee sustains an illness or injury in the course of City employment, he/she shall review full pay for the waiting period following such disability as defined by state law. Such compensation shall not be deducted from the employee's sick leave credit.

<u>Section 2 — Sick Leave - Cash Compensation for Disability:</u> When an employee incurs an on-the-job disability, he/she may request and receive cash compensation in lieu of sick leave to make up the difference between the employee's net salary and the

amount he/she receives in state compensation insurance benefits while disabled.

<u>Section 3 — Sick Leave - Cash Compensation upon Separation from Employment:</u>

Upon separation from City employment, cash compensation shall be paid for accumulated sick leave as follows:

- A Every bargaining unit member who has twenty (20) to thirty-nine (39) days of accumulated sick leave shall receive one-half (1/2) of his/her regular monthly base pay.
- B. Every bargaining unit member who has forty (40) or more days of accumulated sick leave shall receive his/her monthly base pay for a one-month period.

ARTICLE 10— VACATION

<u>Section 1 — Accrual:</u> Until capped as described in this Article, vacation shall accrue at the following annual rate for full-time bargaining unit members:

Length of Continuous Employment	Accrual		
6 months	1 working day		
1 year to 4 years	12 working days		
5 years to 9 years	16 working days		
10 years to 14 years	18 working days		
15 years or more	22 working days		

<u>Section 2 — Scheduling:</u> The department head or his or her designee approves vacation leave based on the scheduling and operational needs of the department.

<u>Section 3 — Accumulation:</u> A bargaining unit member ceases earning vacation once he or she accumulates the total number of hours that can be earned in his or her prior two (2) years of service. The total number of hours that can be earned by a member is based on each member's length of continuous employment with the City.

<u>Section 4 — Separation from City:</u> Upon separation from City employment and after passing probation, compensation shall be paid for vacation leave that has been earned but not taken.

ARTICLE 11 —OTHER LEAVES

Section 1 — Unpaid Leave of Absence: A bargaining unit member may be allowed a leave of absence without pay by his/her department head of no more than five (5) working days. A bargaining unit member who has been in the continuous employ of the City for six (6) full months or more, except temporary or seasonal employees, may be allowed a leave of absence without pay for no more than ninety (90) days upon the

recommendation of the department head and the approval of the City Manager. While on unpaid leave, a bargaining unit member shall not earn vacation, holiday, or sick leave, and shall pay for the full cost of health insurance, including the City's cost.

<u>Section 2 — Military Leave:</u> Military leave shall be granted in accordance with the provisions of federal and state law. Every employee entitled to receive the benefits of military leave shall give his/her department head the opportunity, within the limits of military necessity, to determine when such leave shall be taken.

<u>Section 3 — Bereavement Leave:</u> The City agrees to grant three (3) paid days for bereavement leave following the death of the following relatives of an employee:

Father (includes step-father)	Father-in-law
Mother (includes step-mother)	Mother-in-law
Sister	Sister-in-law
Brother	Brother-in-law
Wife	Husband
Son (includes step-son)	Daughter (includes step-daughter)
Grandfather	Grandmother
Son-in-law	Daughter-in-law
Grandchildren	Aunt
Uncle	Cousin

An employee shall be excused from work by the City, upon the employee's request, for an additional two days following the death of a relative as defined herein, on the condition that the employee uses existing vacation leave, sick leave, or other accrued leave time.

ARTICLE 12 — HEALTH BENEFITS

<u>Section 1 — Life Insurance:</u> The City shall provide \$50,000 in life insurance coverage and \$50,000 for accidental death and dismemberment for each bargaining unit member. The City will also provide life insurance in the amount of \$2,500 for each bargaining unit member's dependents.

<u>Section 2 — Group Medical/Dental/Vision Insurance:</u> The City agrees to contribute up to the following amounts toward medical, dental, and vision insurance coverage per month:

Family = \$827.00 Single = \$361.00

The City and the Union agree to continue to meet and confer on the issue of increased costs of the Medical/Dental/Vision Insurance plan, with the intent that the members of this bargaining unit shall receive comparable benefits to other City employees.

The City and the Union agree that the City's Health Plan will no longer cover lifestyle (not medically necessary) prescription drugs.

The City and the Union agree to a change in the City's Health Plan. Employees shall pay the full share of the employee portion of the medical premiums based on annualized gross costs. The City agrees to pay 100% of the employee portion of the medical premiums from September 1, 2009 until June 30, 2010.

(Substantive changes in this Section made per Unilateral Implementation per the City Council in Resolution No. 09-63.)

Permanent Part-time Employees Medical Plan: Beginning January 1, 2002, a capitated medical plan will be made available to permanent part-time employees limited to medical services provided in Mexicali, B.C. Mexico by Almater Hospital and containing a maximum yearly benefit amount of \$15,000.00. The premium of \$75.00 per month for this medical plan will be paid one-half (50 percent) by the permanent part-time employee and one-half (50 percent) by the City.

Section 3 — Waived Health Insurance Benefit: The City provides a health allowance for those employees who opt out of the health insurance coverage for the following reasons: 1) employee's spouse has a more attractive benefit package through the spouse's employer; and/or 2) employee is married to another City employee. The monthly health allowance is \$385.10 for family and \$182.24 for single. Employees may use the health allowance to enhance their dental program or to purchase additional supplemental coverage through contracted medical providers with the City. Employees will have an opportunity to change their coverage only during open enrollment.

<u>Section 4 — Employee Cafeteria Plan:</u> The City will offer a flexible benefit plan also known as a "cafeteria" plan available to employees based on the concept of employee choice. Under this plan, employees have the opportunity to individually select the type of benefits and the level of coverage desired from a menu of options offered by the City during the annual open enrollment period.

The City's cafeteria plan will offer pre-tax and after-tax options and is not subject to ERISA.

Effective on the date of ratification and approval of this MOU, as defined by Article I, section 2 herein, Ithe only permitted choices of benefits for employees authorized under the Employee Cafeteria Plan are benefits from those providers, which have a contractual relationship with the City.

Open Enrollment Period: The City will allow an annual open enrollment period of not less than thirty (30) days for employees prior to the start of the plan year for the next fiscal year, so that employees can choose benefits from the cafeteria plan.

Section 5- Employee Wellness Benefit-

The City-shall provide each employee with a \$200.00 wellness benefit per year, which is separate from the medical cap as set forth in Article 12, Section 2, but can be used in addition to the amount specified in Article 12, Section 2. Employees may use this \$200.00 amount to purchase wellness programs from the cafeteria plan. The wellness benefit may also be used to offset any medical, dental, or vision premiums. The employee shall not be entitled to a cash-pay-out of the \$200.00 benefit. If the employee does not utilize all or any of the \$200.00 wellness benefit during the plan year, the employee will lose the unused amount. The \$200.00 wellness benefit does not cumulate from year to year.

(Substantive changes in this Section made per Unilateral Implementation per the City Council in Resolution No. 09-63.)

<u>Section 6 — Payroll Deductions:</u> If an employee requests that the City make a payroll deduction to allow for payment of a service or benefit through a non-medical and/or non-contracted provider with the City, a biweekly processing fee of \$5.00 will be added by the City to pay for the processing of the payroll deduction and payment. This \$5.00 processing fee shall not apply to payroll deductions for union dues.

<u>Section 7 — Physical Examinations:</u> The City will provide each bargaining unit member an annual respiratory fitness exam. Such examination shall be conducted in the month the bargaining unit member's birth date falls, retroactive to July 1, 2001.

Section 8 — Retiree Health Plan:

- A The Retiree Health Plan Policy adopted by the City Council on May 18, 1993 outlines the criteria for the retiree health for those hired on or after May 18, 1993.
- B. Post-1993 Retiree Health Coverage: Any employee hired on or after May 18, 1993 shall pay a medical contribution based on the current cost of the City's health plan and upon the years of City service upon their retirement from City service. The medical coverage will cap at age 65.
- C. Pre-1993 Retiree Health Coverage: For those employees who were hired before May 18, 1993 and who elect to continue coverage with the City's health plan upon their retirement from City service, they shall be entitled to lifetime medical coverage. Cost of the coverage shall be \$120.00 a month. At age 65, the City's health plan shall become secondary and Medicare shall be primary, and all claims shall be adjudicated accordingly. Any eligible employee, hired before May 18, 1993, who retires from City service after July 1, 2008 shall have the option of either selecting Pre-1993 Retiree Health Coverage, as described herein, or, in the alternative, if the employee chooses, the employee may elect the Post-1993 Retiree Health Coverage.

- D. Employees who are hired after July 1, 2008 shall not be entitled to medical insurance coverage when they retire from City service.
- E. Any employee who separates from City service shall be provided with COBRA notification by the City's Third Party Administrator. The City's Third Party Administrator shall handle the processing and collecting of retiree health contributions.
- F. Any retiree who is three (3) months delinquent from paying retiree health contributions shall be removed from the retiree medical coverage. Any retiree removed from the health plan for non-payment shall not be allowed to re-enroll in the health program. Any retiree who is removed from the health plan for non-payment shall be provided with COBRA notification by the City's third party administrator.

ARTICLE 13— RETIREMENT

<u>Section 1 — Retirement:</u> Bargaining unit members are eligible for the California Public Employment Retirement System's (hereinafter, "PERS") two percent (2%) at age 60 retirement plan. The City agrees to pay the seven percent (7%) employee retirement contribution to PERS for each eligible bargaining unit member. It is the City's goal and commitment to research different retirement formula options to benefit the employees. Therefore, throughout the term of this Implemented LBFO MOU, the City will actively research possible retirement formula options. However, the City is not obligated to adopt any different retirement formulas during the term of this Implemented LBFO MOU, unless mutually agreed upon by both the employer and bargaining group.

<u>Section 2 — Social Security:</u> All employees, as of the date of ratification and approval of this MOU, shall be responsible for payment of the employee's full share of the Federal Insurance Contribution Act (FICA) tax, which includes Social Security and Medicare, at the contribution limits established by federal law.

ARTICLE 14— NEW EMPLOYEE BENEFITS

The Union and the City agree to continue to meet and confer on the issue of benefits for new employees, with the intent that the members of this bargaining unit shall receive comparable benefits to other City employees.

<u>ARTICLE 15 — UNION SECURITY</u>

<u>Section 1 — Check off:</u> The Union shall have the sole and exclusive right to have membership dues and service fees deducted for employees in the bargaining unit by the City. The City shall, upon appropriate written authorization from any employee, deduct and make appropriate remittance to the Union, the dues, fees, or contributions authorized by employees for Union plans or programs. The City shall pay to the designated payee within fifteen (15) days of the deduction all sums so deducted.

Section 2 — Dues Deduction:

- A. The City shall deduct, as a condition of employment, in accordance with the Union dues and service fee schedule, dues or service fees from the wages of all employees who are members of the bargaining unit within thirty (30) days of their hire.
- B. The City shall deduct dues, in accordance with the Union dues and service fee schedule, from the wages of all employees who, after the date of execution of this Agreement, become members of the Union and submit to the City a dues authorization form.
- C. The City shall immediately notify a Union representative if any member revokes a dues authorization.

Section 3 — Maintenance of Membership: All Union-represented employees who, on the effective date of this Implemented LBFO MOU, are members of the Union in good standing and all such employees who thereafter voluntarily become Union members, shall, as a condition of employment, maintain their Union membership in good standing during the term of this Implemented LBFO MOU, subject however, to the right to resign from membership effective during any of the following resignation periods:

- A. The first 30-day period after this Implemented LBFO takes effect the Union and the City adopt and ratify this MOU;
- B. The first 30-day period after an employee initially falls within the coverage of this section;
- C. The first 30-day period of the subsequent contract years, if any, of <u>this</u> <u>Implemented LBFO MOU</u>.

Any Union member may exercise his or her rights to resign by giving written notice to the Union and to the City prior to or during the above resignation periods.

Whenever a Union member shall be delinquent in the satisfaction of his or her obligations as described in this section, the Union shall simultaneously give both the employee and the City's Human Resources Director written notice thereof, which notice shall give the employee fifteen (15) days to cure the delinquency. In the event the employee fails to cure said delinquency, the Union shall request, in writing, that the City initiate termination proceedings. The termination proceedings shall be governed by applicable laws, and are specifically excluded from the Grievance Procedure.

<u>Section 4 — Representation Service Fee:</u>

A. All permanent, non-management, non-police officers, and non-confidential employees who are represented by the Union or who attain such status after the

effective date of this Implemented LBFO-MOU, and who choose not to become members of the Union (hereinafter "non-member unit employees"), shall be required to pay the Union, as a condition of employment, a service fee that represents each such employee's proportionate share of the Union's cost of representation, beginning thirty (30) days after this Implemented LBFO takes effect MOU is ratified and adopted by the Union and the City, or after the union has provided such employees and the City with the legally requisite expenditure information described below whichever is latest. Such service fee shall in no event exceed the regular, periodic membership dues paid by Union members. The City agrees to deduct such fee in accordance with the law and the provisions of this section, through a bi-weekly payroll deduction.

B. Except as provided herein, representation service fees that the City withdraws from payroll shall be transmitted to SEIU.

<u>Section 5 — Indemnification:</u> The Union hereby agrees to defend, indemnify and hold harmless the City and its officers and employees from any claim, loss, liability or cause of action of any nature whatsoever arising out of the operation of this Article.

ARTICLE 16— PROBATION AND TRAINING

Section 1 — Probationary Period:

- A Probationary period will permit both the supervisor and the employee to become acquainted and to determine the adaptability and fitness of the employee to the assigned work.
- B. All new employees hired on or after January 1, 2003 shall be subject to a probationary period of nine (9) months.
- C. Employees promoting from one classification to another shall be subject to a probationary period of nine (9) months in the new classification.
- D. All probationary periods will be inventoried every thirty (30) days for the first ninety (90) days, at the end of six months, and annually thereafter.
- E. An evaluation assessment will be completed on an as needed basis to try and assist all probationary employees who are not performing to the expected standard. Probationary employees may be terminated after the second inventory assessment if they continue to fail to perform at the expected standard.

<u>Section 2 — Training:</u> The department head is responsible for developing training programs for employees. Such training programs may include lecture courses, demonstrations, assignments of reading matter or such other devices as may be available for the purpose of improving the effectiveness and broadening the knowledge of municipal officers and employees in the performance of their respective duties. An

accredited training academy may also be used from time to time for present and newly-hired safety training. The City shall provide confined space and hazardous materials handling training.

ARTICLE 17— LABOR MANAGEMENT COMMITTEE

A Labor-Management Committee (hereinafter, "Committee") shall be established for the purpose of discussing matters of mutual concern outside of the scope of representation and matters related to the administration of this Implemented LBFO Agreement. The Committee shall be composed of three (3) representatives of the bargaining unit, one (1) staff representative from the Union, and up to four (4) representatives of the City. The Committee shall meet at least quarterly, or upon the written notification of either party for the purpose of discussing matters of mutual concern. Grievances and disciplinary actions shall not be discussed at such meetings. Matters subject to the duty to bargain may be discussed, however, the Labor-Management Committee shall not have the authority to add to, amend, or modify this Implemented LBFO-Agreement.

ARTICLE 18 - SAVINGS, ZIPPER, DURATION

<u>Section 1 — Savings Clause:</u> If any provision of <u>this Implemented LBFO MOU</u> is in conflict with the provisions of federal, state, or local laws or regulations, or is otherwise held to be invalid or unenforceable by existing or subsequently enacted legislation or by decision of any court of competent jurisdiction, that provision shall be suspended and superseded by the applicable law or regulations, and the remainder of <u>this Implemented LBFO-MOU</u> shall remain in full force and effect. The Union shall have the right upon request to meet and confer with the City concerning the practical effect of such conflicts on wages, hours, or terms and conditions of employment.

Section 2 — Zipper Clause: This Implemented LBFO-MOU sets forth the full and entire understanding of the parties regarding matters set forth herein, and any and all prior or existing MOUs, understandings, or agreements that conflict with the matters set forth herein, whether formal or informal, are hereby superseded and terminated in their entirely. Existing policies, rules, ordinances and resolutions that do not conflict with the matters set forth herein remain in effect. Each party agrees that the other shall not be obligated to bargain collectively with respect to any subject matter referred to or addressed in this Implemented LBFO MOU during the term of this Implemented LBFO, unless required by applicable lawis MOU. It is the intent of the parties that this Implemented LBFO MOU be administered and observed in good faith.

Section 3 — Term of Implemented LBFO MOU: The term of this Implemented LBFO MOU shall be July 1, 20098, through June 30, 201099. No economic provisions approved by the City Council on the date this Implemented LBFO was implemented is MOU is adopted by City Council Resolution shall apply retroactively, except where specifically stated herein.

CITY OF CALEXICO

Victor Carrillo, City Manager	Date

PROPOSED CLASSIFICATION STRUCTURE FOR THE OPERATOR UNIT

	D.,	m				
·	Propo	Propose				
Classification	Dona	Base	Cton 0	040.0	04 4	04 5
Classification	Rang	Salary *	Step 2	Step 3	Step 4	Step 5
Chief WP Operator-Treatment**	103	6.051	6.354	6.672	7.005	7.355
Water Treatment Plant Operator	94	4,846	5,088	5,343	5,610	
Water Treatment Plant Operator	92	4,612	4,843	5,085	5,339	
Water Treatment Plant Operator	90	4,390	4,609	4,840	,	•
Water Treatment Plant Operator	88	4,178	4,387	4,606	•	,
Water Treatment Plant Operator		3,978	4,177	4,386	•	,
Chief WP Operator-Distribution**		6,051	6,354	6,672		
Lead Water Dist Operator	88	4,178	4,387	4,606		•
Water Distribution Operator	78	3,265	3,428	3,600	•	,
Chief WWIP Operator Operations**	103	6,051	6,354	6,672		
Waste Water Plant Operator III	90	4,390	,			•
•		•	4,609	4,840	•	,
Waste Water Plant Operator II"	88	4,178	4,387	4,606	•	,
Waste Water Plant Operator 1	86	3,978	4,177	4,386	4,605	4,835
Laboratory Technician	81	3,515	3,691	3,876	4,070	4,273
Chief VVWTP Operator**-	103	6,051	6,354	6,672		
Collection Systems Maint.	78	3,265	3,428	3,600		

^{*} Range and Base Salary reflect an estimate 7.50%

Prepared by Human Resources Dept 9/25/2008 2 56 PM

^{**}Chief Operators were moved to the City's Working Supervisors Unit as of July 1, 2009 per Article 1, Section 1.